be prepared to submit a request for Management approval.

XC-6 AUTOLOADING RIFLE
XC-7 LEVER ACTION RIFLE
XC-8 SLIDE ACTION RIFLE

Research has discontinued design of this family of rifles in view
of the Sales Department's intention to extend the economic life of the
Model 742 and 760 by improved finish and Custom Checkering. A final
report summarizing the status of design is being prepared.

"MODEL 760" LEVER ACTION RIFLE

Research displayed two sample lever action rifles, one with a Model 760
butt stock and one a straight Frontier-type stock. Both were assembled
from a basic Model 760 with a Model 742 fore-end, and were chambered
for .30-06 caliber which is not available in a competitive lever
action.

The Sales Department indicated the selling prices will influence
the marketability of a lever action. Volume will be limited at a
price of $150, while a price of $125 could attract a substantial
market.

The Committee asked Research and Sales to collaborate in establishing
the cost, selling price, volume, and profitability of this rifle, and
to make a recommendation to the Committee.

RIM FIRE RIFLES

XR-5 ROLLING BLOCK RIFLE

Research reported the economics to market the XR-5 Rolling Block
rifle are unsatisfactory. The latest estimate indicates higher manu-
facturing costs than previously. They recommend project consideration
be postponed until the design is reviewed for lower cost manufacture.

The Sales Department agreed to the postponement since there is no
indication of an urgent need for the rolling block rifle.

The Committee reviewed the objective of the XR-5 to profitably sell
a large volume in the price range of $20 to $21. The rifle and
its counterpart, the Model 514, compete with the Ithaca Model 49
Lever Action, the Stevens Model 15, the Winchester Model 67, and
others retailing from $17.95 to $19.95. In this price range, a
price difference as little as $1 appears to considerably affect
volume. At least, the Sales Department feels the Model 514 does not